

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the amendment of ARM) NOTICE OF PUBLIC HEARING ON
2.21.3103 pertaining to payroll rules) PROPOSED AMENDMENT

TO: All Concerned Persons

1. On October 21, 2013, at 9:00 a.m., the Department of Administration will hold a public hearing in Room 136 of the Mitchell Building, at 125 N. Roberts Street, Helena, Montana, to consider the proposed amendment of the above-stated rule.

2. The Department of Administration will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact the Department of Administration no later than 5:00 p.m. on October 14, 2013, to advise us of the nature of the accommodation that you need. Please contact Randy Morris, Department of Administration, P.O. Box 200127, Helena, Montana 59620-0127; telephone (406) 444-3894; Montana Relay Service 711; TDD (406) 444-1421; facsimile (406) 444-0703; or e-mail to ramorris@mt.gov.

3. The rule proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

2.21.3103 TIME, AND TRAVEL, AND RELOCATION EXPENSE
REPORTING (1) remains the same.

(2) An employee shall submit claims for reimbursement of travel and relocation expenses in the manner and within timelines prescribed by the agency, but no later than ~~3~~three months after incurring the expense. The employee shall attach all necessary receipts and documentation to the claim. In accordance with ~~Montana operations manual volume I policy 1-0370.30~~ the Employee Travel Policy, found at <https://montana.policytech.com/docview/?docid=154&public=true> under the travel category, an employee who fails to turn in travel and relocation claims within ~~3~~three months of incurring the expense waives the right to reimbursement. The agency shall process all employee travel and relocation reimbursement claims through the state's central payroll system.

(3) and (4) remain the same.

AUTH: 2-18-401, MCA

IMP: 2-18-405, MCA

STATEMENT OF REASONABLE NECESSITY: The department proposes amending this rule to reinforce that the agency must process all employee travel and relocation reimbursement claims through the state's central payroll system instead of through SABHRS-Finance. In calendar year 2012, approximately \$17,000 worth of travel reimbursements were paid through SABHRS-Finance rather than the central payroll system, which results in the issuance of a 1099 rather than a W-2. Seven

agencies were responsible for these coding errors. Regarding relocation expenses, the IRS tax guidance advises that employees' relocation payments be made through the payroll system so the payment is included on a W-2. A change to the Employee Travel Policy site reflects the move of state policies to the new Montana Operations Manual web site.

4. Concerned persons may present their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to Randy Morris, Department of Administration, P.O. Box 200127, Helena, Montana 59620-0127; faxed to the office at (406) 444-0703; or e-mailed to ramorris@mt.gov; and must be received no later than 5:00 p.m., October 25, 2013.

5. Randy Morris, Department of Administration, has been designated to preside over and conduct this hearing.

6. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this department. Persons who wish to have their name added to the mailing list shall make a written request that includes the name and mailing address and email address of the person to receive notices and specifies that the person wishes to receive notices regarding department rulemaking actions. Notices will be sent by email unless a mailing preference is noted in the request. Such written requests may be mailed or delivered to the contact person in 4 above or may be made by completing a request form at any rules hearing held by the department.

7. An electronic copy of this proposal notice is available through the department's web site at <http://doa.mt.gov/administrativerules.mcp>. The department strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that if a discrepancy exists between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

8. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

9. With regard to the requirements of 2-4-11, MCA, the department has determined that this rule amendment will not significantly and directly impact small businesses.

By: /s/ Sheila Hogan
Sheila Hogan, Director
Department of Administration

By: /s/ Michael P. Manion
Michael P. Manion, Rule Reviewer
Department of Administration

Certified to the Secretary of State September 9, 2013.